



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-113]

Certain Collated Steel Staples from the People's Republic of China: Countervailing Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: Based on the affirmative final determinations by the Department of Commerce (Commerce) and the International Trade Commission (ITC), Commerce is issuing its countervailing duty order on certain collated steel staples (collated staples) from the People's Republic of China (China).

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Bob Palmer or Joshua Simonidis, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-9068 or (202) 482-0608, respectively.

SUPPLEMENTARY INFORMATION:

Background

On June 2, 2020, Commerce published its *Final Determination* in the countervailing duty investigation of collated staples from China.¹ On July 13, 2020, the ITC notified Commerce of its final affirmative determination pursuant to sections 705(b)(1)(A)(i) and 705(d) of the Tariff

¹ See *Certain Collated Steel Staples from the People's Republic of China: Final Affirmative Countervailing Duty Determination and Final Affirmative Critical Circumstances Determination*, 85 FR 33626 (June 2, 2020) (*Final Determination*), and accompanying Issues and Decision Memorandum.

Act of 1930, as amended (the Act) that an industry in the United States is materially injured by reason of subsidized imports of collated staples from China, and of its determination that critical circumstances do not exist with respect to imports of collated staples from China.²

Scope of the Order

The product covered by this order is collated staples from China. For a complete description of the scope of this order, *see* the appendix to this notice.

Countervailing Duty Order

On July 13, 2020, in accordance with sections 705(b)(1)(A)(i) and 705(d) of the Act, the ITC notified Commerce of its final determination in this investigation, in which it found that an industry in the United States is materially injured by reason of subsidized imports of collated staples from China.³ In accordance with section 705(c)(2) of the Act, we are publishing this countervailing duty order.

Therefore, in accordance with section 706(a) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, countervailing duties on unliquidated entries of collated staples from China entered, or withdrawn from warehouse, for consumption on or after November 12, 2019, the date on which Commerce published its preliminary countervailing duty determination in the *Federal Register*,⁴ and before March 11, 2020, the effective date on which Commerce instructed CBP to discontinue the suspension of liquidation, in accordance with section 703(d) of the Act. Section 703(d) of the Act states that the suspension of liquidation pursuant to an affirmative preliminary

² See ITC Notification Letter, Investigation Nos. 701-TA-626 and 731-TA-1452 (July 13, 2020).

³ *Id.*

⁴ See *Certain Collated Steel Staples from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination, and Alignment of Final Determination with Final Antidumping Duty Determination*, 84 FR 61021 (November 12, 2019) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

determination may not remain in effect for more than four months. Therefore, entries of collated staples from China made on or after March 11, 2020, and prior to the date of publication of the ITC's final determination in the *Federal Register*, are not subject to the assessment of countervailing duties due to Commerce's discontinuation of the suspension of liquidation.

Critical Circumstances

With regard to the ITC's negative critical circumstances determination on imports of collated staples from China, we will instruct CBP to lift suspension and to refund any cash deposits made to secure the payment of estimated countervailing duties with respect to entries of collated staples from China, entered or withdrawn from warehouse, for consumption on or after August 14, 2019 (*i.e.*, 90 days prior to the date of publication of the *Preliminary Determination*), but before November 12, 2019 (*i.e.*, the date of the publication of the *Preliminary Determination* for this investigation).

Suspension of Liquidation

In accordance with section 706 of the Act, Commerce will direct CBP to reinstitute the suspension of liquidation of collated staples from China, effective the date of publication of the ITC's notice of final determination in the *Federal Register*, and to assess, upon further instruction by Commerce pursuant to section 706(a)(1) of the Act, countervailing duties for each entry of the subject merchandise in an amount based on the net countervailable subsidy rates for the subject merchandise. On or after the date of publication of the ITC's final injury determination in the *Federal Register*, CBP must require, at the same time as importers would deposit estimated normal customs duties on this merchandise, a cash deposit equal to the subsidy rates noted below. These instructions suspending liquidation will remain in effect until further notice. The all-others rate applies to all producers or exporters not specifically listed below.

Company	Subsidy Rate (percent)
Zhejiang Best Nail Industrial Co., Ltd.	12.32
Hai Sheng Xin Group Co., Ltd.	192.64
Ningbo Deli Stationery	192.64
All Others	12.32

Provisional Measures

Section 703(d) of the Act states that the suspension of liquidation pursuant to an affirmative preliminary determination may not remain in effect for more than four months. In the underlying investigation, Commerce published the *Preliminary Determination* on November 12, 2019.⁵ Therefore, entries of collated staples from China made on or after March 11, 2020, and prior to the date of publication of the ITC's final determination in the *Federal Register*, are not subject to the assessment of countervailing duties due to Commerce's discontinuation of the suspension of liquidation.

In accordance with section 703(d) of the Act, Commerce instructed CBP to terminate the suspension of liquidation and to liquidate, without regard to countervailing duties, unliquidated entries of collated staples from China entered, or withdrawn from warehouse, for consumption on or after March 11, 2020, the date on which the provisional countervailing duty measures expired, through the day preceding the date of publication of the ITC final injury determination in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC final injury determination in the *Federal Register*.

⁵ See *Preliminary Determination*.

Notifications to Interested Parties

This notice constitutes the countervailing duty order with respect to collated staples from China pursuant to section 706(a) of the Act. Interested parties can find a list of countervailing duty orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

This order is issued and published in accordance with section 706(a) of the Act and 19 CFR 351.211(b).

Dated: July 14, 2020.

Jeffrey I. Kessler,
Assistant Secretary for Enforcement and Compliance.

APPENDIX

Scope of the Order

The merchandise covered by the scope of the order is certain collated steel staples. Certain collated steel staples subject to this order are made from steel wire having a nominal diameter from 0.0355 inch to 0.0830 inch, inclusive, and have a nominal leg length from 0.25 inch to 3.0 inches, inclusive, and a nominal crown width from 0.187 inch to 1.125 inch, inclusive. Certain collated steel staples may be manufactured from any type of steel, and are included in the scope of the order regardless of whether they are uncoated or coated, and regardless of the type or number of coatings, including but not limited to coatings to inhibit corrosion.

Certain collated steel staples may be collated using any material or combination of materials, including but not limited to adhesive, glue, and adhesive film or adhesive or paper tape.

Certain collated steel staples are generally made to American Society for Testing and Materials (ASTM) specification ASTM F1667-18a, but can also be made to other specifications.

Excluded from the scope of the order are any carton-closing staples covered by the scope of the existing antidumping duty order on Carton-Closing Staples from the People's Republic of China. *See Carton-Closing Staples from the People's Republic of China: Antidumping Duty Order*, 83 FR 20792 (May 8, 2018).

Also excluded are collated fasteners commonly referred to as “C-ring hog rings” and “D-ring hog rings” produced from stainless or carbon steel wire having a nominal diameter of 0.050 to 0.081 inches, inclusive. C-ring hog rings are fasteners whose legs are not perpendicular to the crown, but are curved inward resulting in the fastener forming the shape of the letter “C.” D-ring hog rings are fasteners whose legs are straight but not perpendicular to the crown, instead intersecting with the crown at an angle ranging from 30 degrees to 75 degrees. The hog rings subject to the exclusion are collated using glue, adhesive, or tape. The hog rings subject to this exclusion have either a 90 degree blunt point or 15-75 degree divergent point.

Certain collated steel staples subject to the order are currently classifiable under subheading 8305.20.0000 of the Harmonized Tariff Schedule of the United States (HTSUS). While the HTSUS subheading and ASTM specification are provided for convenience and for customs purposes, the written description of the subject merchandise is dispositive.